

STATE SENATOR • JIM BARCIA • 31ST DISTRICT

# Barcia Press Release

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## **Barcia Bill to Expand Development of Obsolete Property Unanimously Passes Senate**

(LANSING)—The Michigan Senate unanimously passed legislation today that would expand development of blighted or obsolete properties.

SB 52, sponsored by State Senator Jim Barcia (D-Bay City), would amend the Obsolete Property Rehabilitation Act (OPRA) to include within the definition of “rehabilitation” the adding of additional stories or additional space to a commercial property. Under OPRA an owner of a commercial property can obtain a property tax abatement for certain functionally obsolete properties in core communities. However, for projects, like the Jenison Warehouse rehabilitation in Bay City, which includes the addition of a fourth story to an existing three story property, current law is unclear as to whether or not OPRA can be utilized for the new additions. SB 52 addresses this problem by clarifying how, and under what circumstances, the credit can be distributed.

“With many core communities like Bay City attempting to attract new development and businesses to older areas, it is important to give local communities and developers the flexibility to make rehabilitation projects cost effective,” said Barcia. “This bill expands local economic development options and does so without costing the state or local governments any revenue.”

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